

**Joint Committee on Plan Structure and Design
January 12, 2012 - Noon
Old Jail Conference Room**

APPROVED

Present:

Municipal Representatives: 8 members

Judy Drake, Town of Ithaca; Brooke Jobin, Tompkins County; Mary Mills, Village of Cayuga Heights; Laura Shawley, Town of Danby; Betty Conger, Village of Groton; Don Barber, Town of Caroline; Jennifer Case, Town of Dryden; Schelley Michell Nunn, City of Ithaca

Union Representatives: 5 unit members

Chantalise DeMarco, County White Collar-CSEA; Jim Bower, Bolton Point; Chris Parker, Tompkins County Blue Collar Unit – CSEA #1000; Melissa Schmidt, TC3 Faculty Association; Bradley Berggren, Town of Danby Highway

Union Representatives via Proxy: 4 members

George Apgar, President; Ithaca Professional Fire Fighters Assoc. and Ithaca Area Fire Fighters #737; Joe Slater, Town of Ithaca DPW Teamsters; Patricia Vandebogart, TC3 CSEA Staff Unit

Others in attendance:

Sharon Dovi, TC3 Human Resources Administrator; Steve Locey, Locey & Cahill; Travis Turner, Executive Director, Cayuga Medical Center

Call to Order

Ms. DeMarco called the meeting to order at 12:06 p.m.

Approval of Minutes

Approval of the October 13, November 3, an December 8, 2011 minutes were deferred to the next meeting due to lack of quorum.

Discussion of EAP Program

Mr. Locey reported Locey and Cahill staff have researching and developing an RFP (Request for Proposals) for Consortium-wide EAP of Flex Spending account administration. He distributed sample RFP's and asked for discussion of the scope of services to ensure the RFP is framed in the right way. He reviewed the sample Scope of Service for an EAP program. He said whoever the vendor is for the EAP program should be aware of all of the resources that are available through the medical benefits programs and recognizes the many plans in the Consortium. The sample states that the vendor will periodically prepare reports on the caseload activities of the provider. Mr. Locey questioned if and how reports are currently received. Ms. Nunn stated the City receives quarterly and year-end utilization reports and Ms. Jobin said the County receives the same. He will incorporate language stating reports will be provided not less than on a quarterly basis.

Ms. Nunn said the City periodically receives information about training and employees receive access to that training; some trainings are free of charge and others have a cost associated with it. Trainings are often workshops that cover a variety of educational areas, with examples being how to distress yourself or how to deal with difficult people. Ms. Jobin said the County is provided with materials and brochures that the Personnel Department uses for orientation purposes. She also said the County has its own workshops and doesn't usually take advantage of the training offered by the provider.

Mr. Locey spoke of diagnostic, evaluation and referral services and asked if there is a maximum number of times current EAP programs are allowed to see someone before they are referred out. Ms. DeMarco said eight visits are currently allowed and noted this is also offered to family members who may not be covered under the employee's insurance. Ms. Nunn said she has not heard any complaints from anyone not having enough visits and noted mental health services are covered under the health insurance. Ms. Locey said he will ask responders to provide quotes at varying levels of service; however, Ms. DeMarco said she would be concerned with reducing anyone's benefit. Ms. Nunn noted that services continue to be covered after the number of visits have been used but are then covered by health insurance. Ms. DeMarco noted that those utilizing the EAP program can be people who are not utilizing the health insurance. Mr. Locey said another point to look at is whether pushing someone out of the EAP program early would impact the health insurance cost. Mr. Locey said he received a list of vendors from Mr. Masser along with a list of questions and will be following up with him.

Mr. Locey asked whether there are currently any limits to access of EAP. The current provider does not provide online services. Members expressed interest in this; Ms. Sumner said it may not be required but could factor into a decision.

Mr. Locey said the Consortium currently does not have a monthly newsletter and questioned whether the County or City has a newsletter. Ms. Jobin said the County has a quarterly newsletter but it covers a range of subjects and is not specific to health insurance. Ms. Nunn said the EAP program has a monthly newsletter and it is forwarded to employees. Mr. Locey questioned a section of the sample in which it referred to the CAP program serving as the substance abuse professional for purposes of a drug-testing program. It was requested this language not be contained in the Consortium's RFP.

Mr. Locey will send Mr. Masser the first draft of the RFP and have him comment before it is distributed to members for comments.

Discussion of FLEX Spending Account Program

Mr. Locey said with regard to a Flex Spending program there are questions about the scope of services. He said one of the things that is typically included is retiree billing and COBRA billing and asked if any of the groups contracts this out; members present said this is handled internally. He asked if there is any interest in contracting this out because the majority of samples he has reviewed has that included. There did not appear to be any interest in this.

Mr. Locey reviewed the Scope of Services and asked if there currently is any annual review. He suggested requiring the provider to report annually to the Consortium on their services and how many people are participating versus how many are eligible.

Ms. Jobin said the County passes along all of the eligibility and enrollment forms but the provider does participate in a "Benefits Day". Ms. Drake said the provider does not come to the Town of Ithaca because the Town would have to pay for it. Mr. Locey suggested establishing various locations throughout the County where a provider can meet in order to draw larger

numbers and to make it worthwhile as far as time. He commented on the low participation rate and said it is surprising that more employees cannot see the benefit of the non-premium participation in a flex program. It was stated the main reason is because employees fear losing the money that is put into the account. Ms. Nunn said the City is looking at moving away from having Sieba come in and instead using Skype if there is a need. Mr. Locey said one idea may be to include a webinar link on the Consortium's website so people can listen at their own convenience. Ms. Nunn thought this would be worthwhile to look at.

Mr. Locey asked if the County or City currently has a dedicated person for flex programs. Each entity has a specific representative at Sieba and employees contact general customer service with questions.

There was discussion of debit card access. Ms. DeMarco said she believes the easier the program is for employees to use, such as having a debit card, the more employees would be enrolled. A bid should include information about what the cost would be with and without a debit card. Mr. Locey said if a debit card would increase enrollment and reduce the employer's FICA tax proportionately it would be may be worthwhile for the employer to pay the debit card fee. Ms. Jobin said most County employees who have a flex spending account also have an HRA (Health Reimbursement Account). She asked if someone has both an HSA (Health Savings Account) and an HRA with a debit card being attached to both of those accounts, whether it would cost more than just having a debit card associated with an HSA. Mr. Locey will follow-up on this with David Squires.

Once Mr. Masser has provided input Mr. Locey will provide the Committee with a draft of the RFP.

Discussion of Medicare Supplement

Mr. Locey said Locey and Cahill staff has been busy trying to put together information. He said the County has been bombarded with a lot of questions about Medicare from Medicare retirees about retiree rates. Some of the questions are about the Consortium, others are about the contribution strategy that has been in place, and other questions are about the reimbursement of Medicare Part D premiums. He said information is being compiled to address these issues. Mr. Locey said one thing people have a misconception about is if they were to move to a Medicare supplement all of the sudden they would have equal benefit and their expenses would be less, and that frequently is not the case. He stated the drug coverage is typically much better than the Medicare supplement coverage and as a result the retiree would have to pay a lot more to maintain that coverage. This will continue to be on the agenda and other things will be examined throughout the year.

Update on RFP for Prescription Drug Manager

Ms. DeMarco said the Review Committee will meet next week to continue to evaluate the two finalists.

New Business

Mr. Locey reported on recently passed State legislation that prohibits health insurers from requiring the insured purchase prescribed drugs from a mail order pharmacy or paying a co-payment fee when such purchases are not made from a mail order pharmacy if a similar fee is not charged from drugs from a mail order pharmacy. He distributed copies to members and said there is one exception of if an employer has a collectively bargained agreement. He said as a result of this the Consortium will not be making any changes to its groups because they are

Joint Committee on Plan Structure and Design
January 12, 2012

collectively bargained to some degree; however, a communication is being put together to the Consortium's attorney asking other questions, such as what about non-bargained employees, retirees, and contract employees, in addition to how does this impact future bargaining. Mr. Locey will provide the attorney's response to all employers.

Adjournment

The meeting adjourned at 12:54 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk